## Brad Martens OH 2334 14

## Montana Historical Society Montana Brewery Oral History Project May 16, 2017

**Brian Shovers:** Okay, my name is Brian Shovers. The date today is May 16. I'm interviewing Brad Martens, here at The Rhino bar in Missoula. First question is how did you get involved in the tavern business?

**Brad Martens:** I got involved basically when I was in college finishing up my college career here, in Missoula. Bartended in several bars while I was attending college. Yeah, it just ... I liked the people. I liked the money. The atmosphere. Yeah, it just ... that's kinda how I got started.

**BS:** When did you open this bar?

**BM:** It was in September of '87.

**BS:** 'Kay.

**BM:** A guy that I had worked for through college had a bar. Seemed to think that I'd be good at it. He had a license he knew of. Kinda told me that I should probably, you know, if I wanted to, to take a stab at it and see how it would go.

**BS:** At that point, what did a license -- a beer license -- or was it a regular liquor license?

**BM:** No, all beverage. Yeah, an all beverage license. It went for a \$107,000.

**BS:** Was that pretty typical? That's in the 1980s?

BM: Yes.

BS: Wow!

BM: Yes.

**BS:** What would the license be worth today?

**BM:** Oh, I think realistically right now, they'd probably run around between \$600 and \$700,000.

**BS:** Amazing.

BM: Yeah.

**BS:** Do you know how many of those licenses there are in Missoula?

**BM:** I think there's about ninety.

**BS:** Really. That's amazing.

**BM:** In the county of Missoula.

**BS:** What prompted you to feature a wide variety of microbrews?

**BM:** Well, that came about just with ... I liked the ... I like beer, first of all. A few craft beers were kinda popping up about twenty, twenty-five years ago. I had gone to a couple of brew events just like the one we have in Caras Park here. These were out in Washington and Oregon. They were a little more ... they were kinda ahead of the game out there. Just going out there and seeing what was approaching Montana. Seeing how someday .... Yeah, I started drinking different beers and talking to different brewers -- what are the possibilities of getting some of their beer back here in the state of Montana.

**BS:** Would say that you have the widest the selection of micros on tap in Missoula?

**BM:** In Missoula, definitely. More than really anybody in the state on tap. Nobody else has got fifty-some. Some have ... some are in the thirties, but nobody's got fifty yet. Nobody's surpassed me yet anyway.

**BS:** You offer fifty?

**BM:** Fifty beers on tap.

**BS:** As I understand it, there's maybe seventy microbreweries in the state. Something like that now.

**BM:** Yeah, something like that. Seventy, seventy-two I believe.

BS: Right.

**BM:** I don't carry all of those from the state of Montana. Some of those guys are too small to distribute. Or not too small to distribute, but they're not making enough beer to distribute to bars.

**BS:** Really. Do you have a number of different distributors? How does that work?

**BM:** Yeah, right now I think I go through about four different distributors in Missoula. That's not counting, you know, the ... some of the brewers, they still do self-distribute. There's a couple that I get their beer ... distributed by themselves.

**BS:** It's legal to do that for the breweries?

**BM:** Yes, if you're a brewery you have the right to self-distribute.

**BS:** How did the Montana law regarding liquor licenses and distribution affect your business and that of other tavern keepers?

**BM:** I'm a little puzzled with that question. With distribution, we work on a three-tier system, you know. Wholesalers, retailers and distributors are, you know, distributors. So that really hasn't changed. What was the question again?

**BS:** How did Montana law regarding liquor licenses and distribution affect your business?

**BM:** The distribution of liquor licenses, I guess? Is that what ....

**BS:** No, I guess it refers to distributors.

**BM:** Okay. We're still in the same ....

Unknown Voice: Hey!

BM: What?

**UV:** Anything you need me for, here?

BM: No.

UV: Okay. I need to grab a couple of things. Sorry.

BM: Okay.

UV: Sorry.

**BM:** Oh, again. What was the question again?

**BS:** How did Montana law regarding liquor licenses and distribution affect your business?

**BM:** So, I think that what you're referring to, is last legislative session we tried to get the brewers, the tavern owners and the distributors in the same place and pass some legislation that would be beneficial to all of us. The wholesalers being distributors, they thought that the bill that we tried to pass would infringe upon their distribution. Ultimately, none of those bills passed. We ... before this last session, we we're talking to all the parties that be the coalition [Alcohol Beverage Coalition?], I guess, if you will. We couldn't agree on anything. Really, no laws really passed as far, you know, distribution.

**BS:** What did you have in mind in terms of new laws regarding distribution?

**BM:** Well, it's ... I guess the rub of the whole controversary was that the wholesalers being distributors were afraid that if the taverns or not the taverns, but if the breweries can self-distribute, there could be at one point a lapse in their business; where the breweries would just take over their own distribution and they would be left out.

Another part of that bill was to give the brewers an opportunity to buy an all beverage or a beer and wine license. It gave the opportunity for tavern owners to distill or make their own beer as well, with a breweries license. All of that made the distributors kinda nervous. That's where they put up a big fight over that.

**BS:** It seems like for ... to self-distribute, it would take a fair amount of time and energy. I mean, if you're already busy making beer, that would be another major sorta task.

**BM:** That's what we thought. That's why we didn't think the distributors would be upset about it. I mean, usually when the brewers get to about 4,000 barrels, then you're right, they can't, or they don't have the time or the effort or the means to distribute their own beer. They wanna make more beer, so then they'll get a distributor to accommodate 'em. That was a little puzzling, I think, to all of us. You know, that's the way the cards got shuffled.

**BS:** Do you need a special license to distribute alcohol?

**BM:** Alcohol you have go through the State. You have to buy it at a state's store. Well, not a state store. They're private stores now but regulated by the State. As far as distribution of liquor, you have to have that license.

**BS:** 'Kay. How 'bout the laws regarding keg limits and taxes on kegs?

**BM:** Keg limits as far as an organization, we weren't, and I say that tavern owners, we weren't really opposed to that. They wanted to go from 10 to 60 -- 10,000 to 60,000 barrels. A lot of us thought well, so what? Okay. No big deal. Let 'em. In fact, we were ... we thought why don't they ... why did they even put a limit on it? Why even say 60? Why just ... why not just say let 'em brew as much as they want? 'Cause it's ... with just increasing the rate or the amount that they're brewing, the consumption in the tap

rooms and the hours were not gonna be changed. They were gonna be the same. If they wanted to make 60,000 barrels of beer, go ahead. The thing about 60,000, I don't think ... it's gonna be hard for any brewing company in Montana to reach 60,000. I don't even think Big Sky [Brewing Company] will. I've asked those guys ...

**BS:** I think they're at 50,000 now, maybe.

**BM:** I think they're at 40. 40 or 45. Really to think about 60, maybe in ten years [laughter] it might be up to that size, but that didn't bother any of us. There was a guy in Great Falls that kinda .... No, actually it was a guy in Missoula. Two representatives in Missoula, Ellie Hill [Smith] and another guy. They brought that bill to the Legislature. We weren't opposed to it.

**BS:** 'Kay. Who's the lobbyist now for the tavern keepers?

BM: Iverson. John Iverson.

**BS:** Mark Staples is no longer ....

**BM:** No longer around.

**BS:** Is that fairly recently that he retired.

**BM:** I think it's been six years.

**BS:** Okay.

**BM:** Five, six years since Mark [unintelligible].

**BS:** I guess he was involved in the original bill in 1999 that set up the brewpubs.

**BM:** Set up the tap rooms, yeah. The tasting rooms.

**BS:** How did legislation passed in 1999 allowing microbreweries to serve their product on-premises affect your business?

**BM:** Back in 1999, it didn't bother us at all 'cause there weren't that many breweries. I mean, back then there was Bayern [Brewing] and Big Sky was just kinda getting started. KettleHouse [Brewing Co.] wasn't even going then. Really, we just had one brewery.

**BS:** Yeah, I think there was maybe a dozen breweries statewide at that point.

**BM:** Yeah, probably.

**BS:** I guess you've already answered this, will the law pass in the 2017 session raising the limit to 60,000 barrels have any impact on your tavern business?

**BM:** No. If anything, you know, if you look at it, it will probably help. It will spur some of the brewers to make better and more or quality and quantity. We could get beers from say, you know, Billings and some other outlying sorta cities that are further away.

**BS:** Right. Are you a member of the Montana Tavern Association?

BM: I am.

**BS:** How effective have they've been in lobbying the Legislature?

**BM:** They've been every effective. Very effective. We've got a good organization, you know, most of these guys are just like me. They've been in the business. I've been in business for thirty years now. Most of these guys are the same or they've passed it down to their kids. A lot 'em ma and pa, small bars all over the state, doin' a heck of a job.

**BS:** Do you have any idea how many members there are of the tavern keepers?

**BM:** In the state? Gosh, probably .... I don't know. A 1,000 -- 1,200 -- 1,000.

**BS:** Do you have any idea how many bars there are in the state of Montana?

**BM:** [laughter] I don't know either. I should probably know that.

**BS:** Are you satisfied with the current laws on the books regarding taverns?

**BM:** I am. I am. There's been speculation that maybe and it kinda came up this session, if the quota system was viable for the industry. Meaning that should cities be able to regulate how many bars they want or have in their own communities. Right now, with the quota system ... we didn't develop it. I mean, it was ... there was ... it's been in other states. Have ... we've tweaked a little bit to help just with our needs. I think it's fair. I think it'll probably be in place for quite a while.

**BS:** I mean if the liquor license in Missoula costs \$600,000, isn't that prohibitive for someone trying to start or open a tavern?

**BM:** Well, maybe, you know, but I don't know how many taverns, you know, you want in your city. I guess in some respect that if somebody does wanna buy or open a bar, and buy a license in Missoula, then they're gonna have to be pretty responsible, committed to it, and have a viable business plan.

**BS:** What's your relationship with the microbrewers that you feature?

**BM:** Very good. I've got a good rapport with all the brewers. I've ... I embrace the microbrew or the craft beer industry. I think it's a good industry. They're good people. They're, you know, providing jobs, you know, in cities and towns. They're brewing good beer.

**BS:** Right.

**BM:** I kinda embrace ... I embrace them. I ... there's other tavern owners that don't feel the same way I do. They think that they're undermining their business or taking customers away. I don't ... if I have their beer on and somebody sitting in the tap room at a brewery and they ask, where else can I get this beer? They'll send 'em my way. The people that work at those breweries, they come in here and drink other styles of beer that ... all they can drink is their beer at their site. Here, with fifty beers, I've got beers from all over the country; all over the world. It's an avenue to come and try and see what your competitor or what the other ... what's going on in the industry.

**BS:** How do you go about selecting the micros that you feature on tap at your tavern?

**BM:** A lot of tasting. [laughter] Back in, you know, in the older days, it was a lot harder. A lot of word of mouth. You know, a lot of beer magazines. With the Internet now and Google, I mean, I can find a beer in no time. Then, it's just communicating with the brewer or the brewery. Emphasizing that, you know, it would be nice if they brought their beer to Montana. They have to pay a tax to get in. They have to be big enough, you know, for availability -- to make sure that they can keep their product coming to me in a reasonable manner. It's a lot easier now than it used to be.

**BS:** How you would describe your clientele?

**BM:** I think they're great.

**BS:** In terms of demographics? Lots of students or?

**BM:** Actually, I get a pretty good, diverse crowd. The think that I think that helps with the diversity is the beer.

**BS:** Right.

**BM:** Whether you're a college student or a lawyer in town, I mean if you like beer, you can sit down at a table and talk about it til you're blue in the face, you know. I mean it's just a topic that it's just fun to talk about.

**BS:** In terms of other taverns in Missoula, do you have any competitors that do a lot of micros?

**BM:** I think anymore everybody has to. I mean, I've talked to people that are ... other tavern owners that are not real happy with the breweries in town, but if you talk to them and you reflect upon them that this ... I won't call it a craze, this interest in craft beer, we didn't come up with it as tavern owners. I mean, the breweries ... actually it was the people going outside the city of Missoula and going to Seattle or Portland and saying "God! Look at all the beers they have. I wish we had more breweries." Then, more breweries start here. I mean, it's ... I think it's just a good industry.

**BS:** How important are microbreweries to the social fabric of communities?

**BM:** Well, as you can see or if you've been to any of the little breweries around and a lot of 'em are developing in the outlying areas, not in the downtown area, there's one over by my house. It brings people together. I mean, they won't walk all the way downtown, but a couple of blocks to the brewery, heck yeah! They'll walk over there. Bring their kids, you know. It's kinda little social gathering place.

You know, they intend for that to happen? You know, the breweries? I really doubt it. I mean, I think they're ... they were there just to make the beer. Then, this atmosphere was kinda thrust upon them. It's a funny ... there's a little misconception. I joke about it. Well we talk about it, but if you come to a bar and you bring your kids, and you put your kids down in a corner in a bar and throw some toys down, people look at you with a little disdain, I think. If you go to a brewery, and they've got a kids' corner where kids are playing over there, it's fine. You know, how does that work? I'm not real sure. I'm not out to change, you know, my conception of what, you know, this place is. Or what bars are and aren't.

**BS:** Do people bring their kids in this bar?

**BM:** Not very often, you know, once in a while. If they do, it's ... the parents'll have a beer and they're on their way to Caras Park or they're, you know, they're going somewhere. They'll stay for, you know, like a beer.

**BS:** Do you think ... for the microbreweries, the pubs, the forty-eight-ounces is a good idea?

**BM:** That's when we started. That's the way that bill was crafted. The breweries wanted to taste their wares. I say taste. The original conception of that was to let people come in and taste their product. Not so much sit down and consume. I think most of the breweries are okay with that. If they ... here's an interesting fact too. Right now, about 1/3 of the breweries in the state have bought either all beverage or beer and wine licenses.

That affords them the opportunity to make as much beer as they want and to stay open just like a bar. If breweries want to sell more beer or stay open more hours or longer hours, I think they should just buy a license. If they wanna be a bar, be a bar. If you wanna be a brewery, be a brewery.

**BS:** All right, well that's all the questions I have. You have anything else you'd like to add?

**BM:** Well, I hope and maybe this'll happen in the next session before ... between now and then, that the breweries and the distilleries and the wholesalers can all sit down and come up with a viable project of where everybody is gonna be happy. I mean, will that happen? I don't know. It's intriguing 'cause I believe ... I mean, I kinda look at it as a painting, with all the things that are ... that you can put on a canvas, with the backdrop of the state of Montana on it. With our industry and I mean the beverage industry. We could bring a lot of people in this state, we could have a lot of good customers. I mean, it's just ... to all get along and find a way to put all the pieces together. I think it should be something that we strive for.

**BS:** Right. Well, thanks. That's all the questions the I have.

**BM:** Cool! Good. I hope your project is ....

[Recording ends]